

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7003

BILL NUMBER: HB 1576

NOTE PREPARED: Jan 12, 2003

BILL AMENDED:

SUBJECT: County collection of taxes.

FIRST AUTHOR: Rep. Saunders

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that the Department of State Revenue shall quarterly provide the fiscal officer of an entity that has adopted an Innkeeper's Tax, a Food and Beverage Tax, or an Admissions Tax, with the name of each business collecting the tax and the amount of tax collected by each business. The bill gives a county fiscal officer conducting an investigation relating to the Innkeeper's Tax, Food and Beverage Tax, or Admissions Tax concurrent jurisdiction with the Department and the audit, investigatory, appraisal, and enforcement powers of the Department. The bill permits a county fiscal officer to recover court costs, fees, and other expenses in connection with an action brought under this law.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Summary:* The bill requires the Department of State Revenue (the Department) to provide a quarterly report to fiscal officers of an entity with a local tax listed above. Under current law, the Department must provide such a report annually. Information on the cost per year for the Department to produce these reports is pending and the fiscal impact statement will be updated when additional information is provided.

Background: There are 66 entities in Indiana that have either adopted the Innkeeper's Tax, Food and Beverage Tax, Admissions Tax, or any combination of these taxes. The total amount of these taxes collected in FY 2002 was \$76.3 M.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary:* The bill allows county fiscal officers to recover court costs, fees, and other expenses related to an audit, investigatory, appraisal, or enforcement action related to Innkeeper's Tax, Food and Beverage Tax, or Admissions Tax investigations.

State Agencies Affected: Department of State Revenue

Local Agencies Affected: Entities with the Innkeeper's Tax, Food and Beverage Tax, or Admissions Tax.

Information Sources: *Indiana Handbook of Taxes, Revenues, and Appropriations, FY 2002.*

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